Interim condensed consolidated financial statements of

EVERTZ TECHNOLOGIES LIMITED

Three months ended July 31, 2026, and 2025
(Unaudited)

EVERTZ TECHNOLOGIES LIMITED

Index to Financial Statements
(Unaudited)

Interim condensed consolidated financial statements
Three months ended July 31, 2026 and 2025

MANAGEMENT REPORT

The management of Evertz Technologies Limited ("Evertz" or the "Company") is responsible for the preparation of the accompanying interim condensed consolidated financial statements. The interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and are considered by management to present fairly the consolidated financial position, operating results and cash flows of the Company.

These interim condensed consolidated financial statements have not been reviewed by the auditor. These interim condensed consolidated financial statements are unaudited and include all adjustments, consisting of normal and recurring items, that management considers necessary for the fair presentation of the consolidated financial position, results of operations and cash flows.

EVERTZ TECHNOLOGIES LIMITED

Interim Condensed Consolidated Statements of Financial Position
(Unaudited)

As at July 31, 2026 and April 30, 2026
(In thousands of Canadian dollars)

		July 31, 2026		April 30, 2026
Assets				
Current assets				
Cash and cash equivalents	$	18,784	$	19,117
Trade and other receivables (note 3)		86,508		81,131
Contract assets		15,429		15,987
Prepaid expenses		13,124		14,974
Inventories (note 4)		215,099		200,213
Income tax receivable		15,313		10,980
		364,257		342,402
Property, plant and equipment (note 5)		41,538		41,459
Right-of-use assets (note 6)		10,072		10,980
Goodwill (note 7)		20,341		19,987
Deferred income taxes		7,408		10,161
	$	443,616	$	424,989
Liabilities				
Current liabilities				
Bank Indebtedness (note 10)	$	16,327	$	-
Trade and other payables		100,982		95,325
Provisions (note 8)		5,853		5,953
Deferred revenue		100,961		99,672
Current portion of lease obligations (note 11)		4,165		5,289
Current portion of redemption liability		4,545		4,414
		232,833		210,653
Long-term Deferred Revenue		4,142		4,609
Long-term lease obligations (note 11)		8,602		8,448
		245,577		223,710
Equity				
Capital stock (note 9)		148,303		146,589
Share based payment reserve		28,755		28,112
Accumulated other comprehensive earning		9,141		7,229
Retained earnings		8,500		16,237
		17,641		23,466
Total equity attributable to shareholders		194,699		198,167
Non-controlling interest		3,340		3,112
		198,039		201,279
	$	443,616	$	424,989

See accompanying notes to the interim condensed consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Interim Condensed Consolidated Statements of Changes in Equity
(Unaudited)

Three month periods ended July 31, 2026 and 2025
(In thousands of Canadian dollars)

	Capital stock	Share-based payment reserve	Accumulated other comprehensive earnings	Retained earnings	Total equity attributable to shareholders	Non-controlling interest	Total Equity
Balance at April 30, 2025	**$ 144,978**	**$ 24,196**	**$ 6,568**	**$ 92,382**	**$ 268,124**	**$ 3,168**	**$ 271,291**
Net earnings for the period	-	-	-	11,842	11,842	52	11,894
Foreign currency translation adjustment	-	-	(95)	-	(95)	17	(78)
Total comprehensive earnings for the period	$ -	$ -	$ (95)	$ 11,842	$ 11,747	$ 69	$ 11,816
Dividends declared	-	-	-	(15,087)	(15,087)	-	(15,087)
Repurchase of common shares	(606)	-	-	(3,178)	(3,784)	-	(3,784)
Share based compensation expense	-	1,068	-	-	1,068	-	1,068
Balance at July 31, 2025	**$ 144,372**	**$ 25,263**	**$ 6,473**	**$ 85,959**	**$ 262,067**	**$ 3,237**	**$ 265,304**
Balance at April 30, 2026	**$ 146,589**	**$ 28,112**	**$ 7,229**	**$ 16,237**	**$ 198,167**	**$ 3,112**	**$ 201,279**
Net earnings for the period	-	-	-	7,758	7,758	202	7,960
Foreign currency translation adjustment	-	-	1,912	-	1,912	26	1,938
Total comprehensive earnings for the period	$ -	$ -	$ 1,912	$ 7,758	$ 9,670	$ 228	$ 9,898
Dividends declared	-	-	-	(15,495)	(15,495)	-	(15,495)
Share based compensation expense	-	2,357	-	-	2,357	-	2,357
Transfer of exercise stock options and restricted share units	1,714	(1,714)	-	-	-	-	-
Balance at July 31, 2026	**$ 148,303**	**$ 28,755**	**$ 9,141**	**$ 8,500**	**$ 194,699**	**$ 3,340**	**$ 198,039**

See accompanying notes to the interim condensed consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Interim Condensed Consolidated Statements of Earnings
(Unaudited)

Three month periods ended July 31, 2026 and 2025
(In thousands of Canadian dollars, except per share amounts)

		Three months July 31, 2026		Three months July 31, 2025
Revenue (notes 16 and 17)	$	118,259	$	112,145
Cost of goods sold		48,938		43,303
Gross margin		69,321		68,842
Expenses				
Selling, administrative and general (note 12)		20,914		19,998
Research and development (note 13)		40,577		37,944
Investment tax credits		(3,681)		(3,348)
Foreign exchange loss (gain)		531		(736)
		58,341		53,858
		10,980		14,984
Finance income		90		775
Finance costs		(369)		(238)
Other income		39		500
Earnings before income taxes		10,740		16,021
Provision for (recovery of) income taxes				
Current		152		3,965
Deferred		2,628		162
		2,780		4,127
Net earnings for the period		7,960		11,894
Net earnings attributable to non-controlling interest		202		52
Net earnings attributable to shareholders		7,758		11,842
Net earnings for the period	$	7,960	$	11,894
Earnings per share (note 19)				
Basic	$	0.10	$	0.16
Diluted	$	0.10	$	0.15

See accompanying notes to the interim condensed consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Interim Condensed Consolidated Statements of Comprehensive Earnings
(Unaudited)

Three months ended July 31, 2026 and 2025
(In thousands of Canadian dollars)

		Three months ended July 31, 2026		Three months ended July 31, 2025
Net earnings for the period		7,960		11,894
Other comprehensive (loss) earnings				
Items that may or will be reclassified to earnings:				
Foreign currency translation adjustment		1,938		(78)
Comprehensive earnings	$	9,898	$	11,816
Comprehensive earnings attributable to non-controlling interest	$	228	$	69
Comprehensive earnings attributable to shareholders		9,670		11,747
Comprehensive earnings	$	9,898	$	11,816

See accompanying notes to the interim condensed consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

Interim Condensed Consolidated Statements of Cash Flows
(Unaudited)

Three months ended July 31, 2026 and 2025
(In thousands of Canadian dollars)

		Three months ended July 31, 2026		Three months ended July 31, 2025
Operating activities				
Net earnings for the period	$	7,960	$	11,894
Add: Items not involving cash				
Depreciation of property, plant and equipment		2,212		2,463
Amortization of right-of-use assets		1,280		1,206
Amortization of intangibles		-		173
Unrealized loss on investments		131		-
Loss on disposal of property, plant and equipment		(19)		(419)
Share-based compensation (note 15)		2,357		1,068
Interest expense		289		231
Deferred income tax expense (recovery)		2,628		161
		16,838		16,777
Current tax expenses, net of investment tax credits		(3,529)		417
Income taxes paid		(1,073)		(1,255)
Changes in non-cash working capital items (note 14)		(11,418)		17,544
Cash provided by operating activities		818		33,483
Investing activities				
Acquisition of property, plant and equipment		(1,821)		(1,368)
Proceeds from disposal of property, plant and equipment		33		860
Business acquisition net of cash acquired (note 20)		(314)		-
Cash used in investing activities		(2,102)		(508)
Financing activities				
Principle payments of lease liabilities		(1,021)		(1,094)
Proceeds from credit facilities (note 10)		16,327		-
Interest paid		(289)		(222)
Dividends paid		(15,495)		(15,087)
Capital Stock repurchased		-		(3,784)
Cash used in financing activities		(478)		(20,187)
Effect of exchange rates on cash and cash equivalents		1,429		(144)
(Decrease) Increase in cash and cash equivalents		(333)		12,644
Cash and cash equivalents beginning of the period		19,117		111,665
Cash and cash equivalents end of period	$	18,784	$	124,309

See accompanying notes to the interim condensed consolidated financial statements.

EVERTZ TECHNOLOGIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Three months ended July 31, 2026 and 2025
(in thousands of Canadian dollars, except for "number of common shares", "number of options" and "per share" information)

Evertz Technologies Limited ("Evertz" or the "Company") is incorporated under the *Canada Business Corporations Act*. The Company is incorporated and domiciled in Canada and the registered head office is located at 5292 John Lucas Drive, Burlington, Ontario, Canada. The Company is a leading supplier of software, equipment and technology solutions to content creators, broadcasters, specialty channels and television service providers. The Company designs, manufactures and distributes video and audio infrastructure solutions for the production, post–production, broadcast and telecommunications markets.

1. STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB") and under using the same accounting policies as described in the Company's consolidated financial statements for the year ended April 30, 2026.

These interim condensed consolidated financial statements do not include all information and note disclosures required by IFRS for annual financial statements, and therefore; should be read in conjunction with the April 30, 2026 annual consolidated financial statements.

These interim condensed consolidated financial statements were authorized for issue by the Board of Directors on September 14, 2026.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Measurement

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are stated at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Company's group functional currency. Each subsidiary of the Company determines its own functional currency based on the primary economic environment in which the subsidiary operates. All financial information presented in Canadian dollars has been rounded to the nearest thousand, except per share amounts.

Basis of Consolidation

These financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has power over an entity, has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the investor's returns.

Note #2 continued ...

The results of subsidiaries acquired or disposed of are included in the consolidated statements of earnings and comprehensive earnings from the effective date of acquisition of control and up to the effective date of disposal of control, as appropriate. Total comprehensive earnings of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-Company transactions, balances, income and expenses are eliminated in full on consolidation.

Critical Accounting Estimates and Judgements

The preparation of the Company's interim condensed financial statements requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Significant estimates and judgements used in preparation of the interim condensed consolidated financial statements are described in the Company's consolidated financial statements for the year ended April 30, 2026.

Changes in Accounting Policies

Amendments to the Classification and Measurement of Financial Instruments

Effective May 1, 2026, the Company adopted amendments to *IFRS 9, Financial Instruments* as amended by the IASB in May 2024. This amendment focuses on clarifying classification and measurement of financial instruments. The adoption of the amendments did not have a material impact on the interim condensed consolidated financial statements.

New and Revised IFRSs Issued but Not Yet Effective

The following is a list of amendments, revisions and new International Financial Reporting Standards issued but not yet effective. Unless otherwise indicated, earlier application is permitted.

Presentation and Disclosure in Financial Statements

IFRS 18, Presentation and Disclosure in Financial Statements issues was issued by the IASB in April 2024 and replaces IAS 1, *Presentation of Financial Statements*. The standard is effective for reporting periods beginning on or after January 1, 2027. The Company has not yet determined the impact of the standard.

Disclosure in Subsidiaries without Public Accountability

IFRS 19, Subsidiaries without Public Accountability: Disclosures was issued by the IASB in May 2024 and reduces disclosure requirements within the consolidated financial statements relating to eligible subsidiaries of the Company. The standard is effective for reporting periods beginning on or after January 1, 2027. The Company does not expect a material impact on the consolidated financial statements of the Company as a result of the amendment but has not yet finalized the analysis.

3. TRADE AND OTHER RECEIVABLES

		July 31, 2026		**April 30, 2026**
Trade receivables, net of allowances	$	85,465	$	78,319
Other receivables		1,043		2,812
	$	86,508	$	81,131

4. INVENTORIES

		July 31, 2026		April 30, 2026
Finished goods	$	54,504	$	58,039
Raw material and supplies		124,666		104,607
Work in progress		35,929		37,567
	$	215,099	$	200,213

Cost of sales for the three-month period ended July 31, 2026 included $24,512 of inventory (2025 - $34,082) and $2,513 of inventory write-offs (2025 - $751).

5. PROPERTY, PLANT AND EQUIPMENT

	July 31, 2026			April 30, 2026		
	Cost	Accumulated Depreciation	Carrying Amount	Cost	Accumulated Depreciation	Carrying Amount
Office furniture and equipment	$ 5,511	$ 4,470	$ 1,041	$ 5,328	$ 4,301	$ 1,027
Research and development equipment	42,119	34,648	7,471	41,897	34,040	7,857
Airplanes	6,975	1,243	5,732	6,815	2,035	4,780
Machinery and equipment	83,582	73,459	10,123	80,861	70,296	10,565
Leaseholds	12,727	9,440	3,287	12,558	9,076	3,482
Land	3,482	-	3,482	3,413	-	3,413
Buildings	14,637	4,235	10,402	14,399	4,064	10,335
	$ 169,033	$ 127,495	$ 41,538	$ 165,271	$ 123,812	$ 41,459

6. RIGHT-OF-USE ASSETS

		Land & Building
Balance as at April 30, 2026	$	10,980
Amortization for the period		(1,280)
Foreign exchange adjustments		372
Balance as at July 31, 2026	$	10,072

7. GOODWILL

The changes in carrying amounts of goodwill are as follows:

		Cost
Balance as at April 30, 2026	$	19,987
Foreign exchange differences		122
Business acquisitions (note 20)		232
Balance as at July 31, 2026	$	20,341

8. PROVISIONS

		Warranty and Returns		Lease/Retirement Obligations		Total
Balance as at April 30, 2026	**$**	**5,463**	**$**	**490**	**$**	**5,953**
Net (reductions) additions		(205)		-		(205)
Foreign exchange differences		94		11		105
Balance as at July 31, 2026	**$**	**5,352**	**$**	**501**	**$**	**5,853**

Warranty and Returns
The provision relates to estimated future costs associated with standard warranty repairs and returns on hardware solutions. The provision is based on historical data associated with similar products. The warranty and returns are expected to be incurred within the next twelve months.

Lease/Retirement Obligations
The provision relates to estimated restoration costs expected to be incurred upon the conclusion of Company leases.

9. CAPITAL STOCK

Authorized capital stock consists of:
Unlimited number of preferred shares
Unlimited number of common shares

	Number of Common Shares		Amount
Balance as at April 30, 2026	**75,583,950**	**$**	**146,589**
Issued on exercise of RSU	134,150		-
Transferred on exercise of RSU	-		1,714
Balance as at July 31, 2026	**75,718,100**	**$**	**148,303**

Dividends Per Share
During the quarter, $0.205 in dividends per share were declared (2025 - $0.20).

Normal Course Issuer Bid
In November 2023, the Company entered into a new NCIB with the TSX to repurchase, at the Company’s discretion, until November 2024 up to 3,802,024 outstanding common shares on the open market or as otherwise permitted, subject to normal terms and limitations of such bids. In November 2024, the Company renewed their NCIB with the TSX to repurchase, at the Company’s discretion, up to 3,797,308 outstanding common shares on the open market, or as otherwise permitted until November 26, 2025. In December 2025, the Company again renewed their NCIB with the TSX to repurchase, at the Company’s discretion, up to 3,774,227 outstanding common shares on the open market, or as otherwise permitted until December 10, 2026. During the three month period, the Company purchased and cancelled no common shares, under the combined NCIB programs. In the first quarter of the prior year the company purchased and cancelled 317,635 common shares at a weighted average price of $11.91.

10. CREDIT FACILITIES

The Company has a credit facility of $75 million and a treasury risk management facility up to $10 million available, bearing interest at prime, subject to certain covenants and secured by all Canadian based assets. As at July 31, 2026 and April 30, 2026, the Company was in compliance with covenants. There were borrowings against the facilities as at July 31, 2026 of $16,327 (April 30, 2026 – nil).

11. LEASE LIABILITIES

Balance as at April 30, 2026	$	13,737
Interest		155
Lease payments		(1,176)
Foreign exchange adjustments		51
Balance as at July 31, 2026	$	12,767
Less current portion		4,165
Long term lease obligations	$	8,602

12. SELLING, ADMINISTRATIVE AND GENERAL EXPENSES

		Three month period ended July 31, 2026		Three month period ended July 31, 2025
Salaries and Benefits	$	10,008	$	9,957
Other selling and administrative		9,893		9,009
Share based compensation (note 15)		236		107
Amortization of intangibles		-		173
Depreciation		777		752
	$	20,914	$	19,998

13. RESEARCH AND DEVELOPMENT

		Three month period ended July 31, 2026		Three month period ended July 31, 2025
Salaries and benefits	$	28,277	$	27,670
Other reasearch and development		9,502		8,585
Share based compensation (note 15)		2,121		961
Depreciation		677		728
	$	40,577	$	37,944

14. STATEMENT OF CASH FLOWS

		Three month period ended July 31, 2026		Three month period ended July 31, 2025
Trade and other receivables	$	(4,736)	$	(4,961)
Contract assets		590		199
Inventories		(14,628)		(1,483)
Prepaid expenses		1,897		(1,622)
Trade and other payables		4,903		14,661
Deferred revenue		746		10,573
Provisions		(190)		177
	$	(11,418)	$	17,544

15. SHARE BASED PAYMENTS

Stock Option Plan

The Company established, in June 2006, a stock option plan to attract, retain, motivate and compensate employees, officers and eligible directors who are integral to the growth and success of the Company. A number of shares equal to 10% of the Company's outstanding common shares are to be reserved for issuance under the stock option plan.

The Board of Directors administers the stock option plan and will determine the terms of any options granted. The exercise price of an option is to be set by the Board of Directors at the time of grant but shall not be lower than the market price as defined in the option plan at the time of grant. The term of the option cannot exceed 10 years. Stock options are currently granted normally fully vest and expire by the end of the fifth year.

As of July 31, 2026, there was 1,030,000 outstanding stock options with a weighted average exercise price of $13.32 (April 30, 2026, 1,030,000 at $13.32). There were no share options granted, forfeited, exercised or expired during the three month period.

Stock options outstanding as at July 31, 2026 are:

Exercise Price	Weighted Average Exercise Price	Number of Outstanding Options	Weighted Average Remaining Contractual Life	Number of Options Exercisable	Weighted Average Exercise Price of Exercisable Options
$ 13.32	$ 13.32	1,030,000	4.8	-	$ -
Totals	$ 13.32	1,030,000	4.8	-	$ -

Restricted Share Unit Plan (2022 Plan)

The Company established, in June 2022, a new restricted share unit plan (RSU-2022). The purpose of the plan is to provide an incentive to participants; including key executives of the Company, by rewarding such participants with equity-based compensation. Under the terms of the plan, the Company will redeem RSUs granted to a participant under the 2022 Plan through the issuance of one Common Share of the Company for each fully vested RSU. The Board of Directors administers the equity based restricted share unit plan and will determine the terms of any restricted share units granted. Restricted share units currently granted normally fully vest and expire by the end of the fifth year.

A number of restricted share units equal to 10% of the Company's outstanding common shares are to be reserved for issuance under the equity based restricted share unit plan, less the aggregate number of stock options granted under the Stock Option Plan described above.

The changes in the number of outstanding RSUs under the 2022 Plan are as follows:

	Number of RSUs (2022 Plan)
Balance as at April 30, 2026	**3,157,400**
Forfeited	(27,200)
Exercised	(134,150)
Balance as at July 31, 2026	**2,996,050**

As at July 31 2026 the average remaining contractual life for outstanding RSUs under the 2022 Plan is 2.5 years (2025- 1.5 years).

Compensation expense

Stock Option Plan
The share based compensation expense that has been charged against earnings over the fiscal period is $219 (2025 - $27). Compensation expense on grants during the period was calculated using the Black-Scholes option pricing model. No issuances of stock options were made in the current period.

Expected volatility is based on historical share price volatility over the past five years of the Company. Share based compensation expense was calculated using a weighted average forfeiture rate of 7% (2025 – 26%).

Restricted Share Unit Plan (2022 Plan)
The share base compensation expense that has been charged against earnings over the fiscal period is $2,138 (2025 – $1,041). Compensation expense on grants during the year was calculated using the fair value of the Company's share price at the grant date. Share based compensation expense was calculated using a weighted average forfeiture rate of 10% (2025- 10%).

16. SEGMENTED INFORMATION

The Company reviewed its operations and determined that it operates a single reportable segment, the television broadcast equipment market. The single reportable operating segment derives its revenues from the sale of hardware and software solutions including related services, training, and commissioning.

Revenue		Three month period ended July 31, 2026		Three month period ended July 31, 2025
United States	$	78,002	$	77,214
International		38,320		32,684
Canada		1,937		2,247
	$	118,259	$	112,145

	July 31, 2026					
		Property, Plant and Equipment		Goodwill		Right-of-Use Assets
United States	$	14,589	$	1,434	$	1,641
International		9,910		18,674		2,493
Canada		17,039		233		5,938
	$	41,538	$	20,341	$	10,072

	April 30, 2026					
		Property, Plant and Equipment		Goodwill		Right-of-Use Assets
United States	$	14,205	$	1,385	$	1,761
International		9,952		18,602		2,493
Canada		17,302		-		6,726
	$	41,459	$	19,987	$	10,980

17. REVENUE

		Three month period ended July 31, 2026		Three month period ended July 31, 2025
Hardware	$	59,332	$	60,503
Reoccurring software, services and other software		58,927		51,642
	$	118,259	$	112,145

During the three-month period, the company recognized $22,227 in revenue over time (2025 - $18,544) and $96,032 (2025- $93,601) in revenue at a point in time.

18. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and other related parties are disclosed below.

Related Party Transactions
Two shareholders each indirectly hold a 16% interest in the Company's leased premises in Ontario. This lease expires in 2029 with a total of $2,933 committed over the remaining term. During the three-month period, rent paid for the leased principal premises amounted to $277 (2025 – $277) with no outstanding amounts due as at July 31, 2026.

On December 1, 2008, the Company entered into a property lease agreement where two shareholders each indirectly hold a 20% interest in the Company's leased premises in Ontario. This lease expires in 2028 with a total of $2,195 committed over the remaining term. During the three-month period, rent paid for the leased principal premises amounted to $229 (2025 – $229) with no outstanding amounts due as at July 31, 2026.

On May 1, 2009, the Company entered into a property lease agreement where two shareholders each indirectly hold a 35% interest. This lease expires in 2029 with a total of $1,581 committed over the remaining term. During the three-month period, rent paid for the leased principal premises amounted to $140 (2025 – $140) with no outstanding amounts due as at July 31, 2026.

On May 1, 2016, the Company entered into a property lease agreement where two shareholders each hold a 46.6% interest. This lease expired in fiscal 2027 and was renewed subsequent to July 31, 2026. During the three-month period, rent paid for the leased principal premises amounted to $256 (2025 – $256) with no outstanding amounts due as at July 31, 2026.

In August 2016 the Company entered into a property lease agreement where two shareholders indirectly own a 100% interest. The lease expired in fiscal 2027 and was renewed subsequent to July 31, 2026. During the three month period, rent paid for the leased principal premises amounted to $71 (2025 - $71) with no outstanding amounts due as at July 31, 2026.

The Company also leases two other properties where two shareholders indirectly own 100% interest. There were no amounts owing on the leases as at July 31, 2026. The term of these leases are as follows:

Lease Commencement Date	Lease Expiry Date		Amount committed over remaining term		For Three Months ended July 31, 2026		For Three Months ended July 31, 2025
October 2021	September 2026	$	54	$	80	$	78
December 2023	November 2028	$	832	$	79	$	73

These transactions were in the normal course of business and entered into at their respective fair values.

19. EARNINGS PER SHARE

	Three month period ended July 31, 2026	Three month period ended July 31, 2025
Weighted average common shares outstanding	75,585,408	75,538,154
Dilutive-effect of stock options	2,033,077	1,043,274
Diluted weighted average common shares outstanding	77,618,485	76,581,428

The weighted average number of diluted common shares does not exclude any anti-dilutive options during the period (2025 – 484,500).

20. BUSINESS ACQUISITIONS

Business Combinations

On June 3, 2026, the Company completed the investment of 100% in the voting share capital of a Canadian audiovisual company, based in Ottawa, Canada. The fair value of total consideration transferred upon acquisition included cash considerations of $314, which is net of cash of $36 acquired in the Company. The acquisition was accounted for under the acquisition method and its operating results have been included in these financial statements since the date of acquisition. Since the date of acquisition, $426 in revenue and $50 in losses were included within the consolidated statement of earnings. During fiscal 2027, the Company recognized $50 of transaction costs in selling, administrative and general expenses relating to the transaction.

The preliminary allocation of the purchase price was based on management's estimate of the fair value of assets acquired and liabilities assumed and is subject to adjustments as additional information is evaluated by the Company:

Trade and other receivables		641
Contract assets		32
Inventory		258
Prepaid expenses		47
Trade and other payables		(756)
Current deferred revenue		(76)
Provisions		(90)
Property, plant and equipment		26
Goodwill (not tax deductible)		232
	$	314

21. SUBSEQUENT EVENT

On September 14, 2026, the Company declared a quarterly dividend of $0.205 with a record date of September 24, 2026 and a payment date of October 1, 2026.